A Monthly Report from The Conference Board

INTERNATIONAL ECONOMIC SCOREBOARD

The Conference Board

SEPTEMBER, 1985

SUMMARY

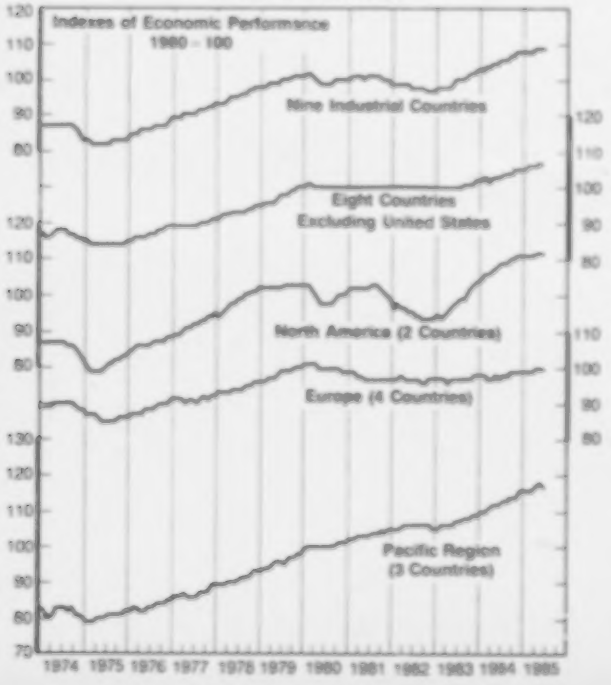
Throughout the world, the business cycle has the blahs. The rate of expansion in the economic performance indexes for the nine major industrial countries covered by the *Scoreboard* is currently averaging an uninspiring 2 percent. Each country's rate of expansion is between 1 and 5 percent—a highly unusual conformity. It's almost as though there is no business cycle out there at all. Outside the United States, the leading indexes show a few more signs of life than the performance indexes, but nothing to write abroad about.

The Pacific Region is a partial exception to the general pattern. In Australia and Japan expansion continues at a respectable pace, and the leaders are advancing smartly—at a 12 percent rate in Australia, and 8 percent in Japan. In Taiwan, R.O.C. however—which was by far the fastest growing country of the nine for the past 15 years—the cyclical expansion has almost come to a halt.

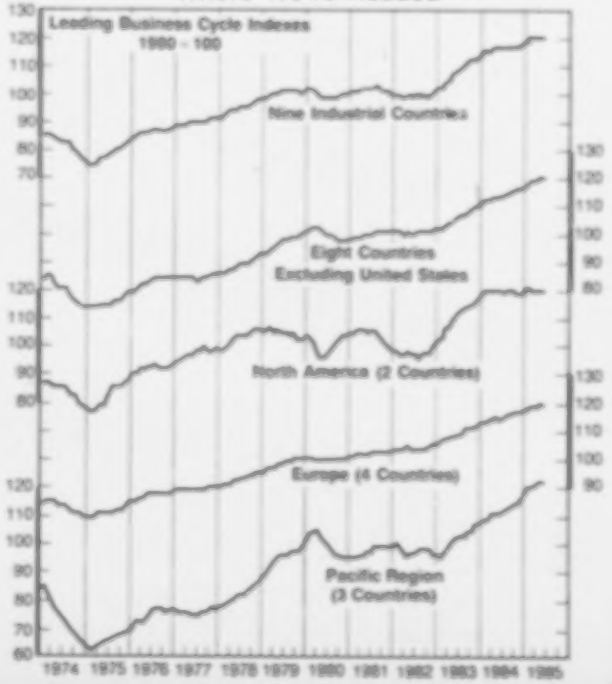
	Ten-year Growth Rate 1969-79	Leading Business Cycle Indexes Growth Rates* 6 mos. ago	3 mos. ago	Latest month	Indexes of Economic Performance Growth Rates* 6 mos. ago	3 mos. ago	Latest month	Current Reading on the Cycle	Latest Month Covered
	annual rates, percent								
9 countries	4	3	5	4	4	3	2	Expansion continuing	June
8 countries ex. U.S.	4	6	7	5	3	3	3	Expansion continuing	June
Europe (4)	3	4	6	5	2	2	3	Expansion continuing	June
Pacific Region (3)	5	9	10	9	6	4	3	Expansion continuing	June
North America (2)	3	0	1	1	6	3	2	Expansion stalled	June
United States	3	0	0	1	4	4	2	Expansion stalled	July
Canada	4	4	4	5	5	4	4	Expansion continuing	June
West Germany	3	4	5	5	3	3	4	Expansion continuing	June
France	4	4	7	6	-2	0	2	Recovery resuming	June
United Kingdom	2	4	4	2	4	3	2	Expansion continuing	June
Italy	3	3	6	7	4	1	1	Expansion continuing	June/Apr
Japan	5	9	11	8	6	3	3	Expansion continuing	June
Australia	4	7	11	12	7	5	5	Expansion continuing	June
Taiwan, R.O.C.	10	6	4	6	1	4	1	Expansion nearly stalled	July

* Ratio of current month's index to average index over the preceding 12 months, expressed as a compound annual rate

Where We Are

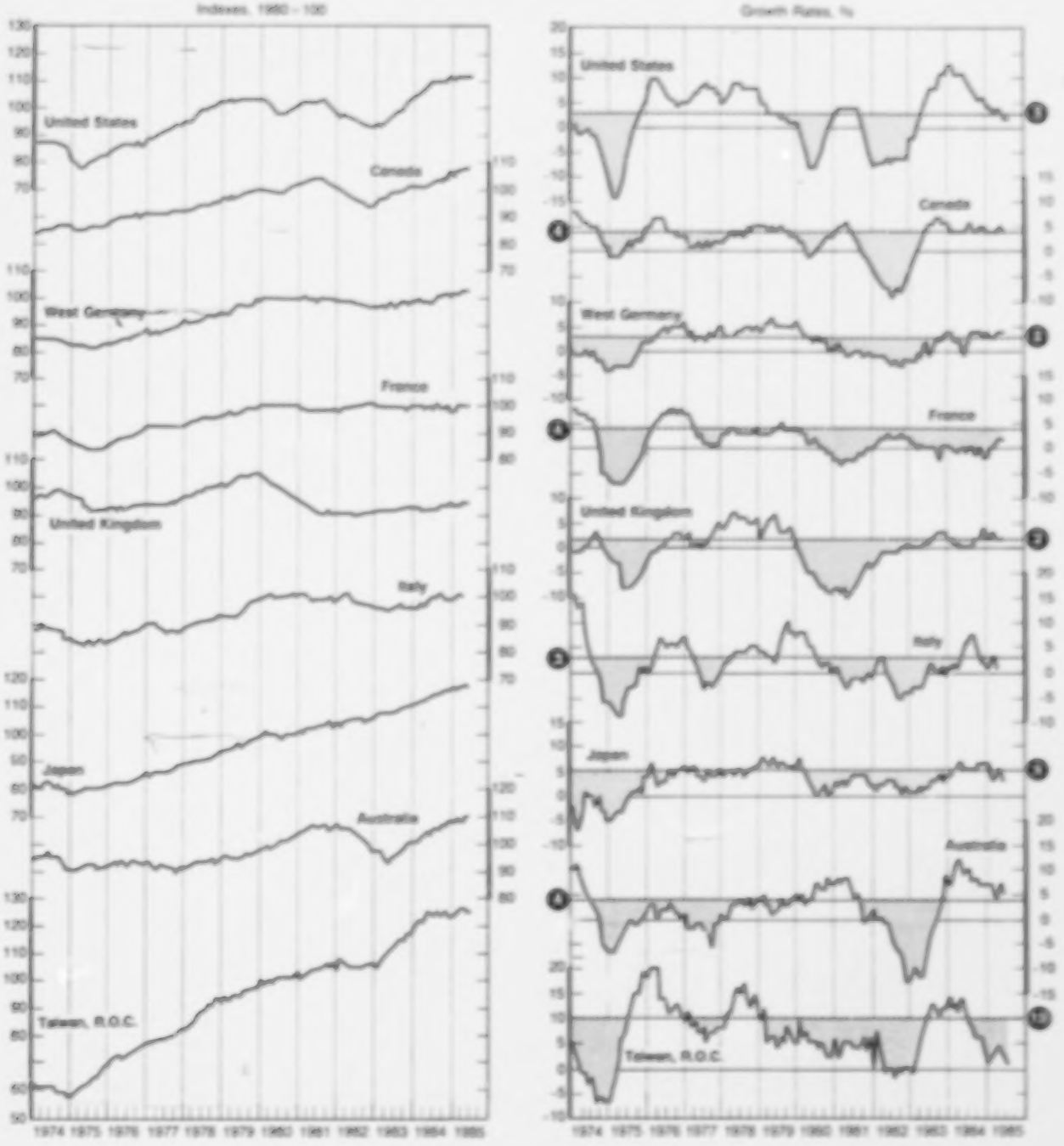


Where We're Headed



Where We Are

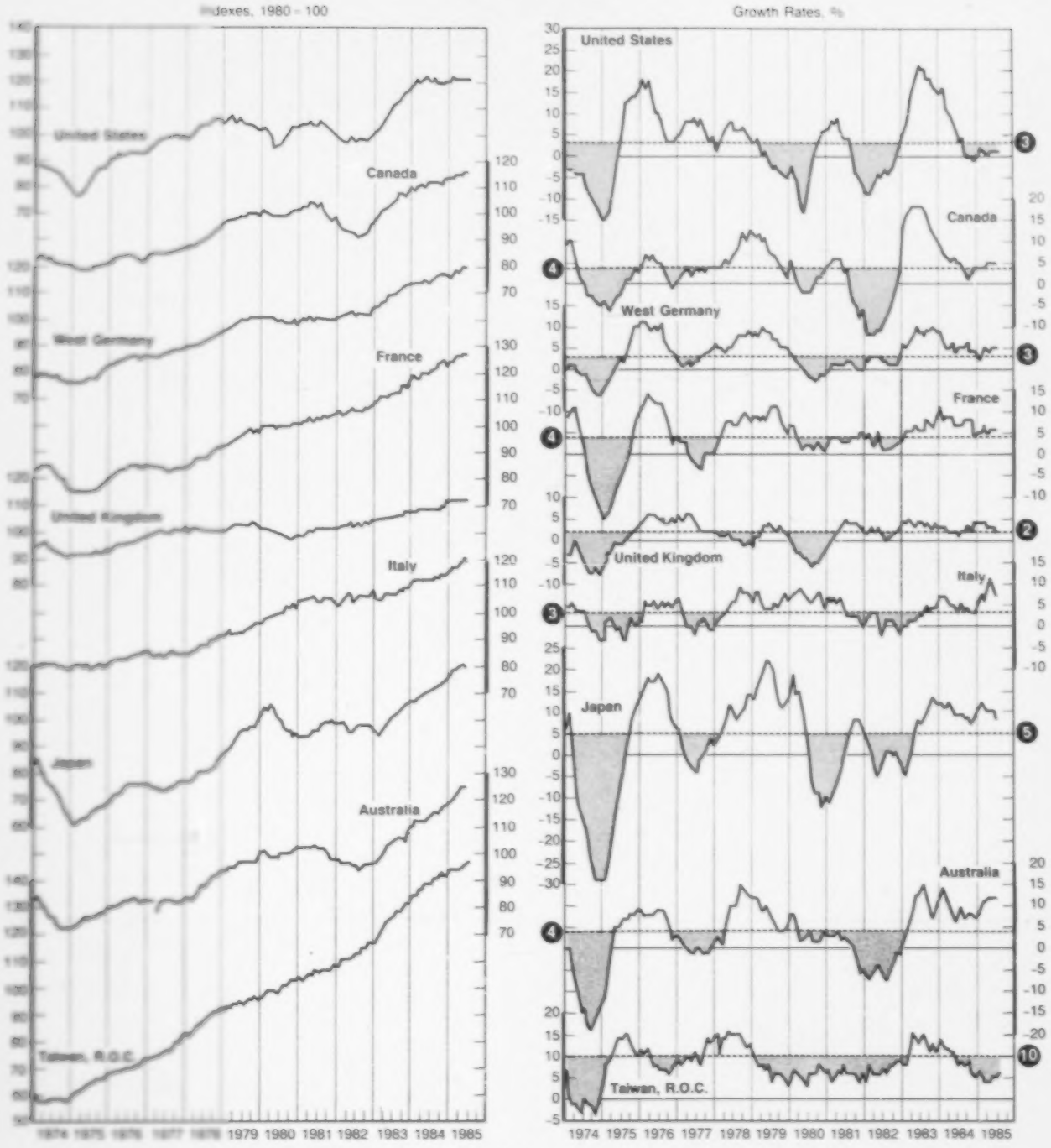
Indexes of Economic Performance



Note: Horizontal dashed lines are average growth rates for 1959-79 in the index and in real GNP.
Sources: OECD and The Conference Board

Where We're Headed

Leading Business Cycle Indexes



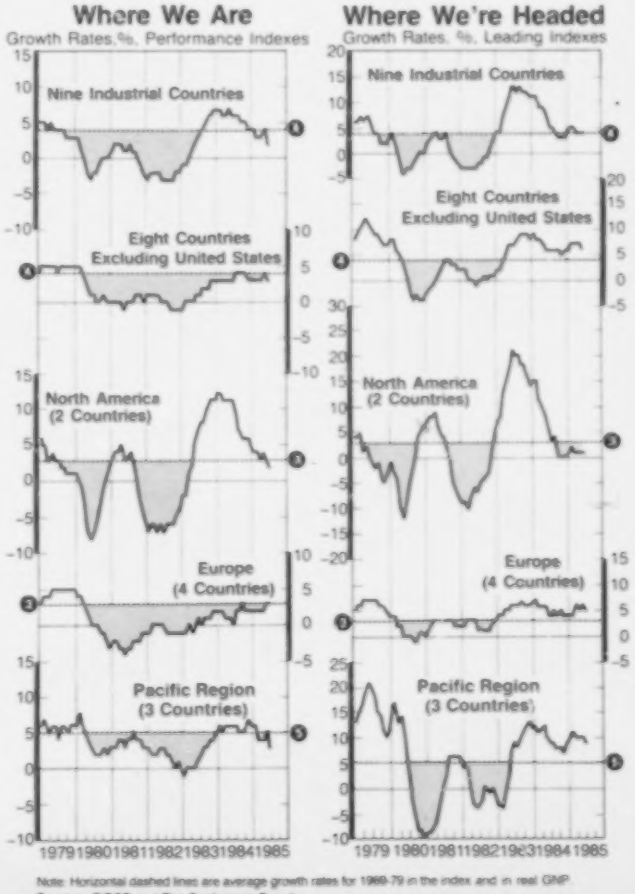
Note: Horizontal dashed lines are average growth rates for 1969-79 in the index and in real GNP

Sources: CIBCR and The Conference Board

INDEXES, NINE COUNTRIES, 1983-85

		U.S.		Canada		West Germany		France		Italy		U.K.		Japan		Australia		Taiwan, R.O.C.	
		Indexes, 1980 = 100																	
		Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.
Mar.	84	107	120	102	110	99	113	100	119	97	112	92	109	112	108	102	112	120	137
Apr.	84	108	121	102	111	99	114	99	120	96	112	93	109	112	110	103	112	121	137
May	84	109	121	102	110	99	115	100	120	98	112	92	109	113	110	104	112	124	139
June	84	110	120	103	112	98	114	99	120	99	112	92	109	113	110	104	113	123	139
July	84	110	120	104	112	100	115	100	121	100	112	92	109	114	111	105	114	123	139
Aug.	84	110	121	104	112	101	116	100	122	100	113	92	109	114	112	105	116	124	141
Sept.	84	110	120	104	112	101	116	100	123	101	113	93	109	114	113	106	115	124	141
Oct.	84	110	119	105	111	102	117	99	123	100	114	94	110	116	113	107	116	123	143
Nov.	84	111	120	105	112	102	116	99	124	99	114	94	110	116	113	106	117	125	142
Dec.	84	112	120	106	113	101	117	99	123	99	114	95	112	116	115	107	118	124	142
Jan.	85	111	120	105	114	102	116	98	124	99	116	94	112	117	117	108	119	123	144
Feb.	85	112	122	106	114	102	117	99	125	100	117	94	112	116	119	109	120	124	144
Mar.	85	112	121	106	115	102	119	100	126	101	117	94	112	117	119	108	122	125	144
Apr.	85	112	121	107	115	103	118	100	126	100	118	95	112	117	120	108	123	126	144
May	85	112	121	107	116	103	120	100	127		121	95	112	118	121	110	125	126	145
June	85	112	121	108	116	103	120	100	127		119	95	112	117	120	110	125	125	146
July	85	112	121															125	147
		Growth Rates, Percent																	
Mar.	84	12	11	4	7	2	5	0	9	2	6	1	3	5	11	10	11	13	12
Apr.	84	12	10	4	6	2	6	–1	9	1	5	1	2	6	12	11	9	11	11
May	84	12	8	4	5	2	6	–1	9	3	5	0	2	5	11	12	8	14	11
June	84	11	6	4	6	–1	5	–1	7	5	4	0	2	5	9	9	6	11	10
July	84	9	3	6	5	3	5	0	7	6	3	0	1	5	9	10	8	9	8
Aug.	84	8	4	5	5	4	5	0	7	7	5	0	2	5	9	8	9	8	9
Sept.	84	7	2	4	4	4	4	0	8	7	3	1	2	5	8	8	7	6	8
Oct.	84	6	0	4	1	4	5	–1	7	4	4	2	3	6	8	7	8	6	9
Nov.	84	6	0	5	3	4	4	–1	7	3	3	3	2	6	7	7	8	6	6
Dec.	84	6	–1	5	4	3	4	–2	4	2	3	4	4	6	9	7	7	3	5
Jan.	85	4	0	4	4	4	2	–2	5	1	5	3	4	6	11	7	8	1	6
Feb.	85	4	2	4	4	3	3	0	5	2	7	2	4	4	12	7	9	2	5
Mar.	85	3	1	4	4	3	5	0	7	3	6	3	4	3	11	5	11	3	4
Apr.	85	4	0	4	5	4	4	1	5	1	8	2	3	4	10	4	12	4	4
May	85	3	1	5	5	4	5	2	6		11	2	3	5	10	7	12	3	5
June	85	2	1	4	5	4	5	2	6		7	2	2	3	8	5	12	2	5
July	85	2	1															1	6
		Ten Year Annual Growth Rate, Percent																	
1969-79		3	3	4	4	3	3	4	4	3	3	2	2	5	5	4	4	10	10

		9 Countries		8 Countries ex. U.S.		North America (2)		Europe (4)		Pacific Region (3)	
		Indexes, 1980 = 100									
		Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.
Mar.	84	104	115	102	112	106	120	97	113	111	110
Apr.	84	105	116	103	113	107	120	97	114	112	111
May	84	105	116	103	113	108	120	98	115	112	112
June	84	106	116	103	113	109	120	37	114	112	112
July	84	106	116	104	114	109	119	98	115	113	112
Aug.	84	106	117	104	114	109	120	98	115	113	113
Sept.	84	107	117	104	115	110	120	99	116	114	114
Oct.	84	107	117	105	116	110	119	99	116	115	115
Nov.	84	108	117	105	116	111	119	99	116	116	115
Dec.	84	108	118	105	116	111	119	99	117	116	116
Jan.	85	108	118	105	117	111	120	99	117	116	118
Feb.	85	108	120	105	118	111	121	99	118	116	120
Mar.	85	108	120	106	119	111	120	99	119	116	120
Apr.	85	109	120	106	119	112	120	100	119	117	121
May	85	109	120	107	120	112	120	100	120	118	122
June	85	109	120	107	120	112	120	100	120	117	122
		Growth Rates, Percent									
Mar.	84	6	9	3	8	11	11	1	6	6	11
Apr.	84	6	9	3	8	11	9	1	6	6	12
May	84	7	8	3	7	11	8	1	6	6	10
June	84	6	6	3	6	11	6	0	4	6	9
July	84	6	5	4	6	9	3	2	4	6	9
Aug.	84	5	5	4	6	8	4	2	5	5	9
Sept.	84	5	4	4	6	7	2	3	4	5	8
Oct.	84	5	3	4	6	6	0	2	5	6	8
Nov.	84	5	3	4	5	6	0	2	4	7	7
Dec.	84	4	3	3	6	6	0	2	4	6	9
Jan.	85	4	4	3	6	4	1	2	4	6	10
Feb.	85	3	5	3	7	4	2	2	5	4	11
Mar.	85	3	5	3	7	3	1	2	6	4	10
Apr.	85	3	4	3	7	4	1	2	5	4	10
May	85	4	4	4	7	3	1	3	6	5	10
June	85	2	4	3	6	2	1	3	5	3	9
		Ten Year Annual Growth Rate, Percent									
1969-79		4	4	4	4	3	3	3	3	5	5


Where We Are
Growth Rates, %, Performance Indexes
Nine Industrial Countries
Eight Countries Excluding United States
North America (2 Countries)
Europe (4 Countries)
Pacific Region (3 Countries)
Where We're Headed
Growth Rates, %, Leading Indexes
Nine Industrial Countries
Eight Countries Excluding United States
North America (2 Countries)
Europe (4 Countries)
Pacific Region (3 Countries)
1979 1980 1981 1982 1983 1984 1985

Note: Horizontal dashed lines are average growth rates for 1969-79 in the index and in real GNP.
Sources: CIBCR and The Conference Board